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PAGE 1 / 1

NAME OF COMMITTEE (In Full)
National Air Traffic Controllers Association PACFEC IDENTIFICATION NUMBER
C00238725

Mailing Address 1325 Massachusetts Ave., NW

City	State	ZIP Code
Washington	DC	20005

1.What happened

On July 15, 2019, around 10:00 am Eastern Time, a man who was selling a computer online received a check purportedly from the National Air Traffic Controllers Association PAC as payment. He stated the check was a red flag for him, because the check was significantly more than what he was selling the computer for; the purchaser was looking for a refund of the difference paid through a third-party.

Several other similarly fraudulent checks were honored by NATCA PACs bank. The fraudulent checks are forgeries. NATCA is in control of all of its bank-issued checks.

2.When it was discovered
7/15/2019.

3.What is the corrective action being taken by us and the bank? Including how many checks, the total amount, the total refunded so far, and the total that is still outstanding.

Immediately after the call, we analyzed the NATCA PAC bank account and discovered that between 7/8/19 and 7/12/19, 13 fraudulent checks totaling \$29,060.00, had cleared our account.

Around 10:20 am, we contacted our bank. Its immediate solution was to place a freeze on the bank account to stop any additional fraudulent checks from clearing.

Moving forward, the banks solution was to place positive pay on the bank account. In that process NATCA provides a list of legitimate checks to the bank and the bank only clears checks on this list. This would prevent any further fraudulent checks from clearing our bank account. In order to initiate this, the bank asked we provide the following three items as soon as possible:

- 1.Notarized affidavit essentially stating that a fraud has occurred and a list of the 13 checks that we had discovered as fraudulent.
- 2.A list of all current outstanding legitimate checks for the PAC so they can start the positive pay and unfreeze the account.
- 3.Moving forward, a list of any new legitimate checks the PAC writes to keep the positive pay up to date.

At 12:22 pm the same day, we emailed the bank items 1 and 2 referenced above. With these two items they were able to add positive pay and unfreeze the account. No new fraudulent checks have cleared our account.

Based on our banks policy, it refunded seven of the 13 checks totaling \$18,295.00 that had cleared our bank account from 7/10/19 to 7/12/19.

The bank is confident that the remaining six checks totaling \$10,765.00, which cleared on 7/8/19 and 7/9/19, will be refunded to NATCA PAC after the conclusion of its investigation.

Since we initiated positive pay, we have seen 68 additional attempts to cash fraudulent checks, however, our bank has rejected each of these attempts.